



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10**

1200 Sixth Avenue, Suite 900
Seattle, Washington 98101-3140

July 7, 2008

Reply To: EPTA - 088

Ref: 07-008-AFS

Alice Allen
Chugach National Forest
Glacier Ranger District
PO Box 129
Girdwood, Alaska

Dear Ms. Allen:

The EPA has reviewed the **Draft Environmental Impact Statement (EIS) for the Spencer Mineral Materials Project, Glacier Ranger District, Chugach National Forest, Alaska**. The review was conducted in accordance with our responsibilities under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act. Section 309, independent of NEPA, specifically directs EPA to review and comment in writing on the environmental impacts associated with all major federal actions. Under our policies and procedures, we evaluate the document's adequacy in meeting NEPA requirements.

According to the draft EIS, the Spencer Lake (project) area is highly valued for its mineral material production; rock and gravel have been mined from the area for over a century. It is also highly valued for its recreation opportunities because of its unique scenic values and ease of access to Spencer Lake and Glacier. The Chugach National Forest Revised Land and Resource Management Plan (Forest Plan) established direction to manage this area in a manner that facilitates and balances interaction between recreation development and mining activities. The 600-acre Spencer Mineral Materials site was made available because of its location along the railroad, the large volume of rock and gravel available, its history as a developed quarry, and the demand for these materials.

The draft EIS examines the environmental effects of a proposal by the Chugach National Forest to extract mineral materials including quarry rock and gravel from a site near Spencer Glacier on the Kenai Peninsula, Alaska. Five alternatives were considered in detail. Alternative A (Proposed Action) would permit mineral material extraction on a total of 530 acres located immediately adjacent to the Alaska Railroad and the Spencer Glacier Whistle Stop developed recreation area. Alternative B would allow gravel extraction from about 200 acres on the west side of the Alaska Railroad furthest from recreation sites to minimize noise and visual intrusions, as well as, to avoid existing placer claims. Alternative C would restrict gravel operations to about 160 acres to minimize visual impacts from recreational developments and viewing locations located at higher elevations, and would also limit gravel operations to 3-4 days per week to minimize noise impacts to recreationists. Alternative D would allow gravel operations on 360 acres with modifications to the proposed operating season, operating hours, and methods

of extraction to improve operational feasibility. Alternatives B, C and D would exclude existing placer claims from gravel extraction to minimize conflict. All action alternatives would allow mining of quarry rock from 30 acres near Spencer Lake. Alternative E is the No Action alternative. A Preferred Alternative is not identified in the draft EIS.

On April 13, 2007, EPA submitted scoping comments to the Forest Service recommending topics that we felt deserved explicit treatment in the draft EIS. This included impacts to water quality, wetlands, air quality, invasive species, and monitoring. In our review, we found that a number of the issues and recommendations we raised in our scoping comments were not discussed in the draft EIS. Therefore, our comments in this letter address many of the same issues. In particular, we are concerned about limited information in the draft EIS about potential impacts to water quality, wetlands, and local air quality. There is also limited information about proposed mitigation measures and anticipated effectiveness.

Based on these concerns and unclear or incomplete information found in the draft EIS, we have assigned the document a rating of EC-2 (Environmental Concerns- Insufficient Information). This rating and a summary of our comments will be published in the Federal Register. A summary of the rating system we used in conducting our review of the draft EIS is enclosed for your reference (Enclosure 2). Please see Enclosure 1 for our detailed comments.

We appreciate the opportunity to comment on the Spencer Mineral Materials Project. If you have any questions regarding these comments, please contact me at (206) 553-1601, or Jennifer Curtis of my staff at (907)271-6324 or at curtis.jennifer@epa.gov.

Sincerely,

/s/

Christine B. Reichgott, Manager
NEPA Review Unit

Enclosures

ENCLOSURE 1**EPA DETAILED COMMENTS ON CHUGACH NATIONAL FOREST DRAFT
ENVIRONMENTAL IMPACT STATEMENT FOR THE
SPENCER MINERAL MATERIALS PROJECT****Purpose and Need**

Currently the draft EIS states that a survey has been completed and the results of that survey indicate an interest in the mineral materials at the project area. There is no additional information provided as to the extent of that interest. EPA recommends that the final EIS contain information regarding the results of the survey or other information that would further support the extent of the interest in the material at this time. We believe that the demand should dictate the extent and type of materials that would need to be extracted from the site, and should support the underlying need for the project.

Evaluation of Effects and Monitoring

Throughout the discussions of effects in the draft EIS, there are numerous statements that conclude that impacts from activities would be insignificant, minimized or mitigated by applying protective measures or Best Management Practices (BMPs). We are concerned that these conclusions, as presented, are not supported by analyses of the effectiveness of the undefined “measures.” We recommend that the effects analyses in the EIS be revised to include sufficient information to support the conclusions being reached. Where reliance on practices that are currently in use on the Forest serves as the basis for these conclusions, the discussions should include a summary of the findings of Forest Plan and project-specific monitoring efforts that demonstrate the effectiveness of the measures in reducing or eliminating activity-related impacts.

In addition, EPA believes that project monitoring is critical and should be identified and described. As discussed above, the proposed project has the potential to impact fish and wildlife, and their habitat. Predicting the severity of these impacts and devising effective mitigation measures remains an imprecise science. Monitoring is a necessary and crucial element in identifying and understanding the consequences of actions. In this case, monitoring is needed to evaluate population changes that may be occurring not only from the proposed project, but other factors including climate change. We recommend that the EIS describe a monitoring program designed to assess both impacts from the project and the effectiveness of measures utilized to mitigate such impacts. Clear monitoring goals and objectives should be identified such as what questions are to be answered; what parameters are to be monitored; where and when monitoring will take place; who will be responsible; how the information will be evaluated; what actions (contingencies, adaptive management, corrections to future actions) will be taken based on the information; and how the public can get information on mitigation effectiveness and monitoring results.

Water Quality

In our review, we noted that the description of alternatives did not mention a need for water usage. Materials extraction operations typically have some requirement for water usage, which in turn can impact water quality and/or quantity. If there will be a requirement for water usage for the development or operation of the site, this should also be discussed in the final EIS.

Also, please note that coverage under the National Pollutant Discharge Elimination System (NPDES) Construction Storm Water General Permit is required for projects that disturb more than one acre of land, and erosion and sediment controls should be in place for runoff from the site before construction begins. We recommend that the final EIS include information about this permit requirement and its applicability to activities for the Spencer Mineral Materials Project.

Wetlands

The draft EIS states on page 79 that “Palustrine wetlands are also widespread throughout the valley floor of the Placer Valley. Small palustrine wetlands are found scattered in the area around Spencer Lake.” and on page 80, “Mapped palustrine wetlands exist along the northern portion of the western gravel extraction area. According to the draft EIS, palustrine wetlands would be impacted by gravel mining operations under Alternatives A, B, and D. However, the proposed reclamation plan would create ponds and channels, ultimately increasing the amount of wetlands in both of the gravel extraction areas.” The draft EIS does not evaluate the type or severity of the wetland impacts; does not include impacts to wetlands in “Table 1 Comparison of alternatives and their environmental effects for the Spencer Mineral Materials Project;” and offers no estimate as to the number of acres of wetlands potentially impacted by this project. EPA recommends that this information be included in the final EIS, along with additional discussion of requirements and possible mitigation under Section 404 of the Clean Water Act (CWA), particularly since the proposed activities will require a Section 404 permit from the U. S. Army Corps of Engineers and the project will need to comply with the Section 404(b)(1) guidelines.

The Section 404(b)(1) guidelines establish a presumption that upland alternatives are available for non-water dependent activities. The guidelines require that impacts to aquatic resources be (1) avoided, (2) minimized, and (3) mitigated, in that sequence. The final EIS should discuss in detail how planning efforts (and alternatives selection) conform to Section 404(b)(1) guidelines sequencing and criteria. In other words, the lead agency must show that it has avoided impacts to wetlands and other special aquatic sites to the maximum extent practicable. The final EIS should discuss alternatives that would avoid wetlands and aquatic resource impacts from fill placement, water impoundment, construction, dredging and other activities before proceeding to minimization/mitigation measures.

Air Quality

On page 110, the draft EIS states that “Emissions anticipated from the implementation of any alternative would not be expected to exceed State of Alaska ambient air quality standards.” Given that material extraction operations often cause substantial local impacts to air quality, we believe it is appropriate for the final EIS to provide additional discussion to further support the conclusion that the project will not have impacts to air quality, even if impacts are anticipated to be mitigated by best management practices.

Air quality may also be impacted in the short term due to use of heavy equipment and access roads, as well as herbicide applications, and in the longer term due to continued traffic on gravel roads, emissions from vehicles and on-site operations, and cumulative impacts from

surrounding activities such as fire. It is worth noting that impacts to sensitive human (worker and user) and wildlife populations in the project area from airborne particulates and/or chemicals can be substantial within a few hours of air contamination, even when the air quality standards are not exceeded. Therefore, EPA recommends the discussion of direct, indirect, and cumulative impacts to air quality be included in the final EIS.

Invasive Species

Invasive species can aggressively spread into areas altered by road construction and other activities. Nationally, as well as in Alaska, the establishment of invasive nuisance species has rapidly become an issue of environmental and economic significance. EPA strongly supports the development of integrated strategies that will control and manage weeds during and after project activities. We recommend that the final SIS include a discussion to comply with the Executive Order (EO 13112) on invasive species. This discussion should include actions that will be taken to manage recreational and accessibility opportunities in the project area which can contribute to the establishment of invasives in the project area.

Public Participation and Tribal Consultation

The draft EIS describes a good public participation effort during the development of the document, and includes results of the scoping process. If additional outreach to federally-recognized tribal governments in the area is conducted, and if government-to-government consultation with tribes undertaken during development of the draft EIS, we recommend that the information be provided in the final EIS.

EPA also recommends that discussion regarding Executive Order (EO) 13175 *Consultation and Coordination with Indian Tribal Governments* be included in the Legal and Regulatory Compliance section on page 109. This EO appears to have been omitted from the list of legal requirements.

Finally, Chapter 4 lists the following as “tribes”: Bristol Bay Native Corporation; Sealaska Corporation; NANA Regional Corporation; and Kenaitze Indian Tribe. We note that only one, Kenaitze Indian Tribe, is a federally-recognized tribal government. The remaining are for-profit native corporations formed under the Alaska Native Claims Settlement Act (ANCSA). It is unclear why ANCSA corporations were included on this list, especially since their land holdings and interests are so far from project area. EPA recommends that tribal consultation and fulfillment of obligations under EO 13175 be clarified in the final EIS and that additional information on what steps were taken to offer consultation to other federally-recognized governments that may have with interests in the vicinity of the project (e.g., Salamatoff and Eklutna). Consultation may include but should not be limited to consultation as required by Section 106 of the National Historic Preservation Act (NHPA) of 1966, as amended.

Specific Comments

The cover page lists that legal title for the Borough as the Kenai **Peninsula** Borough (KPB). It is also not made clear in the draft EIS that the project is within KPB jurisdiction.

Please consider including a brief discussion regarding Alternative E (No Action) in the Summary.

Page i states “These issues led the agency to develop alternatives to the proposed action including:”, but the proposed action is not previously defined, and Alternative A is not described (presumably the proposed action).

Page 3 contains is the first reference to the Forest Plan but the Chugach National Forest Land and Resource Management Plan is not identified until page 7. This may cause some confusion for readers.

Page 50 references the Anchorage Harbor, although the correct name is Port of Anchorage.

On page 110, we recommend that the discussion of the CWA include information specific to Sections 401, 402, and 404, as appropriate.

The following statements on page 111 seem contradictory: “A complete project-specific **inventory of the area has been conducted**. The project is not expected to impact cultural resources; however, if **upon completion of the inventory**, cultural resources are discovered, development of recreation sites will avoid culturally important areas.” We recommend revising these statements to accurately reflect the status of the inventory.

The first paragraph of Chapter 4 refers to the preparation of an Environmental Assessment, not an EIS.